

AMENDED CERTIFICATE OF COMPLIANCE -- STATE OF TENNESSEE

SECTION	TOPIC	DESCRIPTION	Is this requirement met by law, regulation or administrative practice (Yes or No). Enter N/A when not applicable.	If so, provide the citation for legal authority (statute, case, regulation, etc.)	For SST conforming changes, provide effective dates.	Notes (e.g., administrative practices, noncompliance explanations, etc.)
Section 301	State level administration					
		Does the state provide state level administration of state and local sales and use taxes?	Yes	T.C.A. 67-6-401; 67-6-710(a)(1)		
		Are sellers only required to register with, file returns and remit funds to a state-level authority?	Yes	T.C.A. 67-6-504, 67-6-601 and 67-6-602	P.C. 357, Sec. 63. T.C.A. 67-6-608(a). Eft. 7-1-07. (See: P.C.959, Sec. 68.)	
		Are local taxes collected and distributed by a single state-level authority?	Yes	T.C.A. 67-6-401, 67-6-710 and 67-6-712.	P.C. 357, Sec. 18 and 68. T.C.A. 67-6-103(-). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		Does the state conduct or authorize others to conduct an audit that includes both state and local taxes and prohibit independent local audits of sellers registered under the Agreement?	Yes	T.C.A. 67-6-523 and 67-6-710.		
Section 302	State and local tax base					
		Do all local jurisdictions have a common tax base? There are exceptions for motor vehicles, aircraft, watercraft, modular homes, manufactured homes and mobile homes.	Yes	T.C.A. 67-6-702(a)(1).		All local jurisdictions had a common tax base prior to the Streamlined legislation in Tennessee

		Are the state and local tax bases identical? Note: The Agreement requires identical state and local tax bases by January 1, 2006.	Yes, effective 7-1-07.		P.C. 357, Sec. 19, 26, 27, 28, 30, 33, 34, 43, 48, 65, 66, 69. P.C. 959, Sec. 54, 56, T.C.A. 67-4-701 et seq., pulls all aviation fuel out of s/u tax; energy fuels sold to business are subject to local tax with amendment of 67-6-704; sale of steam, chilled water from metro county govt. exempt from state and local tax - 67-6-218 and 67-6-207; energy fuels sold to manufacturers - granted full exemption from state tax under 67-6-206 and user priv tax imposed; materials owned by nonprofit colleges now exempt from both state and local tax per 67-6-209(b); P.C. 959, Sec. 54 & 56, T.C.A. 67-4-701 et seq., pulls all aviation fuel out of s/u tax; energy fuels sold to business are subject to local tax with amendment of 67-6-704; sale of steam, chilled water from metro county govt. exempt from state and local tax - 67-6-218 and 67-6-207; energy fuels sold to manufacturers - granted full exemption from state tax under 67-6-206 and user priv tax imposed; materials owned by nonprofit colleges now exempt from both state and local tax per 67-6-209(b); P.C. 959, Sec. 54 & 56, T.C.A. 67-4-701 et seq., pulls all aviation fuel out of s/u tax; energy fuels sold to business are subject to local tax with amendment of 67-6-704; sale of steam, chilled water from metro county govt. exempt from state and local tax - 67-6-322(g) and 67-6-704. Amend single article local option limitation to apply only to motor vehicles, aircraft, watercraft, manufactured homes and modular homes sold unafixed to realty 67-6-702(d).
Section 303	Seller registration				
		Does the state participate in the multistate online registration system?	Yes, effective 7-1-07.		P.C. 357, Sec. 63. T.C.A. 67-6-608(a) and (b). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)
		Are voluntary sellers registering under the multistate online registration system exempted from paying registration fees?	Yes	T.C.A. 67-6-601 and 67-6-602.	No fee charged for registration.
Section 305	Local rate and boundary change				
		Does the state have local jurisdictions that levy a sales or use tax? If yes, answer the following questions.	Yes		
		A. Does the state limit the effective date of local rate changes to the first day of a calendar quarter after a minimum of 60 days notice?	Yes, effective 7-1-07.		P.C. 357, Sec. 71. T.C.A. 67-6-716(3). P.C. 959, Sec 26, T.C.A. 67-6-706(a)(3). Eft. 7-1-07. (See: P.C. 959, Sec. 68, 70.)

		B. Does the state limit the effective date of local rate changes from catalog sales wherein the purchaser computed the tax based on local tax rates published in the catalog only on the first day of a calendar quarter after a minimum of 120 days notice?	Yes, effective 7-1-07.		P.C. 357, Sec. 71. T.C.A. 67-6-716(2). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		C. Does the state limit local boundary changes for the purposes of sales and use taxes to the first day of calendar quarter after a minimum of 60 days notice?	Yes, effective 7-1-07.		P.C. 357, Sec. 71. T.C.A. 67-6-716(3). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		D. Does the state provide a database with boundary changes?	Yes, effective May 2005.		P.C. 357, Sec. 73. T.C.A. 67-6-806(a). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Creation of database completed in May 2005.
		E. Does the state provide a database identifying rate and jurisdictional information based on 5 and 9 digit zip codes?	Yes, 5 digit database completed in May 2005. The 9 digit data base is not yet available.		P.C. 357, Sec. 73. T.C.A. 67-6-806(c). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Creation of 5 digit database completed in May 2005, but 9 digit database not yet available. Downloadable version complete in June 2005.
		F. Does the database provided by the state apply the lowest rate in the zip code if the area includes more than one tax rate?	Yes, 5 digit database completed in May, 2005. The 9 digit data base is not yet available but will make such provisions when created.		P.C. 357, Sec. 73. T.C.A. 67-6-806(c). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		G. Does the state commit to participating with other states in development of an address-based system?	Yes		P.C. 357, Sec. 73. T.C.A. 67-6-806(d). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
Section 306	Relief from certain liability					
		Does the state relieve the seller and the CSP from liability for collecting incorrect amount of tax by relying on data provided by state on rates, boundaries, and jurisdiction assignments?	Yes, effective 7-1-07.		P.C. 357, Sec. 61. T.C.A. 67-6-533. Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
Section 307	Database requirements and exceptions					

		A. Does the state provide a database per Section 305, in downloadable format?	Yes, with regard to 5 digit database available in May, 2005. The 9 digit data base is not yet available, but will be downloadable when created.		P.C. 357, Sec. 73. T.C.A. 67-6-806(b) and (c). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Creation of 5 digit database in progress and will be complete in May 2005, but 9 digit database is not yet available. The 9 digit database will be downloadable when created.
Section 308	State and local tax rates					
		A. Has the state eliminated multiple state sales and use tax rates after Dec. 31, 2005 (a single additional rate on food/food ingredients/drugs is allowed)?	Yes, effective 7-1-07.		P.C. 357, Sec. 19, 26, 27, 30, 31, 32, 33, 34, 35, 53, 54, 75. P.C. 959, Sec. 54, 56, T.C.A. 67-4-701 et seq. Eft. 7-1-07. (See: P.C. 959, Sec. 68, 70.)	Rate provisions do not apply to energy fuel distributed by the seller. Cable TV – priv. tax 67-4-2401 and repeal rate/base structure of 67-6-226 and 67-6-714; business interstate telecom svcs - repeal 67-6-221 (7.5% rate); water sold to mfrs - granted full exemption and repealed reduced rate 67-6-206 (imposed SUPT on mfrs); energy fuels sold to mfrs - granted full exemption and repealed reduced rate 67-6-206 (imposed SUPT on mfrs); energy fuels sold to nurseries and greenhouses - granted full exemption and repealed reduced rate 67-6-218 and 207; Satellite tv – priv. tax 67-4-2402 and repeal rate/base structure of 67-6-227; P.C. 959, Sec. 54 & 56, T.C.A. 67-4-701 et seq., pulls all aviation fuel out of s/u; reduced rate on sales to common carriers for export now exempt from sales tax with special privilege tax imposed with repeal of 67-6-219, 67-6-702(e), new exemption at 67-6-385
		B. Does the state have local jurisdictions that levy a sales or use tax? If yes, answer the following questions.	Yes	T.C.A. 67-6-701 et seq.		
		1. Do the local jurisdictions have no more than one sales tax rate or one use tax rate per local jurisdiction?	Yes, effective 7-1-07.	T.C.A. 67-6-702(a)(1).	P.C. 357, Sec. 19, 65, 66, 69. Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	intrastate telecom svcs - repeal 67-6-702(g)(1)(2.5% rate); residential interstate telecom svcs - repeal 67-6-702(g)(1.5% rate); water sold to mfrs - repeal reduced rate 67-6-702(b); rate on sales to common carriers for exports - repeal 67-6-702(e);
		2. If a local jurisdiction levies both a sales tax and use tax, are the local rates identical?	Yes	T.C.A. 67-6-203(a) and 67-6-702(a).		
Section 310	General sourcing rules					

		A. Verify that each sourcing rule is followed by the state as required under Section 309.	Yes, effective 7-1-07.		P.C. 357, Sec. 74. Eft. 7-1-07. (See: P.C. 959, Sec. 68.) 67-6-901 et seq.	
		1. If received at business location of seller, then sourced to that location.	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-902(a)(1). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		2. If not received at business location of seller, then sourced to location of receipt.	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-902(a)(2). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		3. If subsections 1 & 2 do not apply, then sourced to address of purchaser in business records of seller that are maintained in ordinary course of seller's business.	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-902(a)(3). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		4. If subsections 1, 2 & 3 do not apply, then sourced to address of purchaser obtained during consummation of sale, including address of purchaser's payment instrument, if no other address is available.	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-902(a)(4). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		5. If subsections 1, 2, 3 & 4 do not apply, then sourced to location from which tangible personal property was shipped, from which digital good or computer software delivered electronically was first available for transmission by seller, or from which service was provided.	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-902(a)(5). P.C. 959, Sec. 61. T.C.A. 67-6-231. Eft. 1-1-07. (See: P.C. 959, Sec. 68, 70.)	
		B. Lease or rental of tangible personal property is sourced as follows:				
		1. If recurring periodic payments, then sourced the same as retail sale. Subsequent payments are sourced to the primary property location for each period covered by the payment?	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-902(b)(1). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		2. If no recurring periodic payments, then sourced in accordance with rules of retail sale?	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-902(b)(2). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		3. Does not affect tax based upon a lump sum or accelerated basis or property acquired for lease?	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-902(b)(3). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	

		C. Lease or rental of motor vehicles, trailers, semi-trailers, or aircraft that do not qualify as transportation equipment shall be sourced as follows:				
		1. If recurring periodic payments, then sourced to primary property location?	Yes, effective 7-1-07.			P.C. 357, Sec. 74. T.C.A. 67-6-902(c)(1). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)
		2. If no recurring periodic payments, then sourced in accordance with rules of retail sale?	Yes, effective 7-1-07.			P.C. 357, Sec. 74. T.C.A. 67-6-902(c)(2). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)
		3. This provision does not affect tax based upon a lump sum or accelerated basis or property acquired for lease?	Yes, effective 7-1-07.			P.C. 357, Sec. 74. T.C.A. 67-6-902(c)(3). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)
		D. The retail sale, including lease or rental, of transportation equipment shall be sourced in accordance with rules for retail sale?	Yes, effective 7-1-07.			P.C. 357, Sec. 74. T.C.A. 67-6-902(d). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)
		1. Has the state defined transportation equipment as required in Section 310, subsection D, of the Agreement?	Yes, effective 7-1-07.			P.C. 357, Sec. 74. T.C.A. 67-6-902(d). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)

Section 311	General sourcing definitions					
		For purposes of Section 310, subsection A, are the terms "receive" and "receipt" defined to mean: taking possession of tangible personal property, making first use of services, or taking possession or making first use of digital goods, whichever comes first? Note: The terms "receive" and "receipt" do not include possession by a shipping company on behalf of the purchaser	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-902(e). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
Section 312	Multiple points of use					
		Does the state provide that, notwithstanding Section 310, a business purchaser that does not hold a direct pay permit that knows at time of purchase that digital good, computer software delivered electronically or service will be concurrently available for use in more than one jurisdiction shall provide seller with a Multiple Points of Use Exemption Form?	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-903(a). Eft. 7-1-07. (See: P.C. 959, Sec. 68.) (See Sec. 73 SB 2310)	April 16, 2005 amendments to Section 312 passed legislature awaiting Governors signature SB 2310 Section 73 will be effective 7/1/07.
		A. Does the state relieve the seller of obligation upon receipt and purchaser incurs obligation on a direct pay basis?	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-903(b). Eft. 7-1-07. (See: P.C. 959, Sec. 68.) (See Sec. 73 SB 2310)	April 16, 2005 amendments to Section 312 passed legislature awaiting Governors signature SB 2310 Section 73 will be effective 7/1/07.
		B. Does the state allow the purchaser to use any reasonable, but consistent and uniform, method of apportionment supported by purchaser's records as of time of sale?	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-903(c). Eft. 7-1-07. (See: P.C. 959, Sec. 68.) (See Sec. 73 SB 2310)	April 16, 2005 amendments to Section 312 passed legislature awaiting Governors signature SB 2310 Section 73 will be effective 7/1/07.
		C. Does the state provide that the Multiple Points of Use Exemption form is in effect for all future sales by seller to purchaser (except apportionment), until revoked in writing?	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-903(d). Eft. 7-1-07. (See: P.C. 959, Sec. 68.) (See Sec. 73 SB 2310)	April 16, 2005 amendments to Section 312 passed legislature awaiting Governors signature SB 2310 Section 73 will be effective 7/1/07.

		D. Does the state exempt the holder of a direct pay permit from providing a Multiple Points of Use Exemption Form to the seller and allow the purchaser to use a method of apportionment as provided in subsection B?	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-903(e). Eft. 7-1-07. (See: P.C. 959, Sec. 68.) (See Sec. 73 SB 2310)	April 16, 2005 amendments to Section 312 passed legislature awaiting Governors signature SB 2310 Section 73 will be effective 7/1/07.
Section 313	Direct mail sourcing					
		A. Does the state provide that, notwithstanding Section 310, a purchaser of direct mail that does not hold a direct pay permit shall provide to seller a Direct Mail Form or information to show jurisdictions to which mail is delivered?	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-904(a). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		1. Is the seller relieved of obligation upon receipt and purchaser incurs obligation on a direct pay basis? Form remains in effect for all sales by seller to purchaser.	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-904(a)(1). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		2. Does the state provide that upon receipt of delivery information, the seller shall collect tax according to purchaser's submitted information and in the absence of bad faith, seller is relieved of further liability?	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-904(a)(2). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		B. Does the state provide that if the purchaser does not have direct pay permit and does not provide Direct Mail Form or delivery information, seller shall collect tax pursuant to Section 301 (A)(5) of Agreement?	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-904(b). Eft. 1-1-07. (See: P.C. 959, Sec. 68.)	
		C. Does the state provide that if purchaser provides documentation of direct pay permit, the purchaser is not required to provide a Direct Mail Form or delivery information to seller?	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-904(c). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
Section 314	Telecom sourcing rule					
		Please verify that each Telecom sourcing rule is followed by the state as required under Section 314 of the Agreement.				
		A. Except for the defined telecom services in subsection C below, if sold on a call-by-call basis, then sourced to each level of taxing jurisdiction where call originates and terminates in that jurisdiction or each level of taxing jurisdiction where call either originates or terminates and in which service address is located?	Yes, effective 7-1-04.		P.C. 782 Sec. 14 Eft. 7/1/04. T.C.A. 67-6-905(a) P.C. 357, Sec. 74. Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this sourcing provision early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004. T.C.A. Section 67-6-905(a) Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07.

		B. Except for the defined Telecom services in subsection C below, if sold on a basis other than call-by-call basis, then sourced to customer's place of primary use?	Yes, effective 7-1-04.		P.C. 782 Sec 14 Eft. 7/1/04. T.C.A. 67-6-905(b) P.C. 357, Sec. 74. T.C.A. 67-6-905(b). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this sourcing provision early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(b) Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07.
		C1. Is the sale of mobile telecom other than air-to-ground radiotelephone service and prepaid calling service, sourced to customer's place of primary use as required under Mobile Telecommunications Sourcing Act?	Yes, effective 7-1-04.		P.C. 782 Sec 14 Eft. 7/1/07 T.C.A. 67-6-905(c)(1) P.C. 357, Sec. 74. T.C.A. 67-6-905(c)(1). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this sourcing provision early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(c)(1) Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07.
		2. Is the sale of post-paid calling service sourced to the origination point of telecom signal as first identified by either the seller's telecom system or information received by the seller from its service provider, where system used to transport signals is not that of the seller?	Yes, effective 7-1-04.		P.C. 782 Sec 14 Eft. 7/1/07 T.C.A. 67-6-905(c)(2) P.C. 357, Sec. 74. T.C.A. 67-6-905(c)(2). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this sourcing provision early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(c)(2) Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07. April 16, 2005 amendments to Section 314 passed legislature awaiting Governors signature SB 2310 effective 7/1/07.
		3. Is the sale of prepaid calling service sourced in accordance with Section 310 of the Agreement?	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-905(c)(3). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee did not enact prepaid calling service sourcing provision early. Prepaid calling cards are defined as tangible personal property and sourced in the same manner as other tangible personal property in Tennessee until 7/1/07. April 16, 2005 amendments to Section 314 passed legislature awaiting Governor's signature SB 2310 Section 74 effective 7/1/07.
		4. Is the sale of a private communication service:				
		a. Service for a separate charge related to a customer channel termination point sourced to each level of jurisdiction in which such customer channel termination point is located?	Yes, effective 7-1-04.		P.C. 782 Sec 14 Eft. 7/1/04. T.C.A. 67-6-905(c)(3)(A) P.C. 357, Sec. 74. T.C.A. 67-6-905(c)(4)(A). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this sourcing provision early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(c)(3)(A) Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07 in T.C.A. Section 67-6-905(c)(4)(A).

		b. Service where all customer termination points are located entirely within one jurisdiction or levels of jurisdictions sourced in such jurisdiction in which the customer channel termination points are located?	Yes, effective 7-1-04.		P.C. 782 Sec 14 Eft. 7/1/04. T.C.A. 67-6-905(c)(3)(B) P.C. 357, Sec. 74. T.C.A. 67-6-905(c)(4)(B). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this sourcing provision early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(c)(3)(B). Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07 in T.C.A. Section 67-6-905(c)(4)(B).
		c. Service for segments of a channel between two customer channel termination points located in different jurisdictions and which segment of channel are separately charged sourced fifty percent in each level of jurisdiction in which the customer channel termination points are located?	Yes, effective 7-1-04.		P.C. 782 Sec 14 Eft. 7/1/04. T.C.A. 67-6-905(c)(3)(C) P.C. 357, Sec. 74. T.C.A. 67-6-905(c)(4)(C). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this sourcing provision early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(c)(3)(C). Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07 in T.C.A. Section 67-6-905(c)(4)(C).
		d. Service for segments of a channel located in more than one jurisdiction or levels of jurisdiction and which segments are not separately billed sourced in each jurisdiction based on the percentage determined by dividing the number of customer channel termination points in such jurisdiction by the total number of customer channel termination points?	Yes, effective 7-1-04.		P.C. 782 Sec 14 Eft. 7/1/04 T.C.A. 67-6-905(c)(3)(D) P.C. 357, Sec. 74. T.C.A. 67-6-905(c)(4)(D). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this sourcing provision early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(c)(3)(D). Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07 in T.C.A. Section 67-6-905(c)(4)(D).
Section 315	Telecom sourcing definitions					
		Does the state define the following terms in sourcing telecommunications:				
		A. Air-to-ground radiotelephone service?	Yes, effective 7-1-04.		P.C. 782 Sec 14 Eft. 7/1/04 T.C.A. 67-6-905(d)(1) P.C. 357, Sec. 74. T.C.A. 67-6-905(d)(1). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this definition early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(d)(1). Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07.
		B. Call-by-call basis?	Yes, effective 7-1-04.		P.C. 782 Sec 14 Eft. 7/1/04 T.C.A. 67-6-905(d)(2) P.C. 357, Sec. 74. T.C.A. 67-6-905(d)(2). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this definition early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(d)(2). Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07.

					P.C. 782 Sec 14 Eft. 7/1/04 T.C.A. 67-6-905(d)(3) P.C. 357, Sec. 74. T.C.A. 67-6-905(d)(3). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this definition early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(d)(3). Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07.
		C. Communications channel?	Yes, effective 7-1-04.			
					P.C. 782 Sec 14 Eft. 7/1/04 T.C.A. 67-6-905(d)(4) P.C. 357, Sec. 74. T.C.A. 67-6-905(d)(4). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this definition early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(d)(4). Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07.
		D. Customer?	Yes, effective 7-1-04.			
					P.C. 782 Sec 14 Eft. 7/1/04 T.C.A. 67-6-905(d)(5) P.C. 357, Sec. 74. T.C.A. 67-6-905(d)(5). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this definition early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(d)(5). Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07.
		E. Customer channel termination point?	Yes, effective 7-1-04.			
					P.C. 782 Sec 14 Eft. 7/1/04 T.C.A. 67-6-905(d)(6) P.C. 357, Sec. 74. T.C.A. 67-6-905(d)(6). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this definition early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(d)(6). Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07.
		F. End user?	Yes, effective 7-1-04.			
					P.C. 782 Sec 14 Eft. 7/1/04 T.C.A. 67-6-905(d)(7) P.C. 357, Sec. 74. T.C.A. 67-6-905(d)(7). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this definition early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(d)(7). Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07.
		G. Home service provider?	Yes, effective 7-1-04.			
					P.C. 782 Sec 14 Eft. 7/1/04 T.C.A. 67-6-905(d)(8) P.C. 357, Sec. 74. T.C.A. 67-6-905(d)(8). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this definition early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(d)(8). Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07.
		H. Mobile telecommunications service?	Yes, effective 7-1-04.			

		I. Place of primary use?	Yes, effective 7-1-04.		P.C. 782 Sec 14 Eft. 7/1/04 T.C.A. 67-6-905(d)(9) P.C. 357, Sec. 74. T.C.A. 67-6-905(d)(9). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this definition early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(d)(9). Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07.
		J. Post-paid calling service?	Yes, effective 7-1-04.		P.C. 782 Sec 14 Eft. 7/1/04 T.C.A. 67-6-905(d)(10) P.C. 357, Sec. 74. T.C.A. 67-6-905(d)(10). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this definition early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(d)(10). Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07. April 16, 2005 amendments to Section 315 (J) passed legislature awaiting Governor's signature SB 2310 effective 7/1/07.
		K. Prepaid calling service?	Yes, effective 7-1-07.		P.C. 357, Sec. 74. T.C.A. 67-6-905(d)(11). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	April 16, 2005 amendments to Section 315(L) "prepaid wireless calling service" passed legislature awaiting Governor's signature SB 2310 Section 74 effective 7/1/07.
		L. Private communication service?	Yes, effective 7-1-04.		P.C. 782 Sec 14 Eft. 7/1/04 T.C.A. 67-6-905(d)(11) P.C. 357, Sec. 74. T.C.A. 67-6-905(d)(12). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this definition early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(d)(11). Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07 in T.C.A. 67-6-905(d)(12).
		M. Service address?	Yes, effective 7-1-04.		P.C. 782 Sec 14 Eft. 7/1/04 T.C.A. 67-6-905(d)(12) P.C. 357, Sec. 74. T.C.A. 67-6-905(d)(13). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee enacted this definition early in response to a Tennessee court decision. Public Chapter 782 Section 14 effective July 1, 2004, T.C.A. Section 67-6-905(d)(12). Public Chapter 357 Section 74 replaces with the exact same language effective 7/1/07 in T.C.A. 67-6-905(d)(13).
Section 316	Enactment of Exemptions					

		<p>Product-based exemptions. Can the state confirm that where the Agreement has a definition for a product or for a term that includes the product, the state exempts all items within each definition and does not tax only part of the items included within each definition?</p>	Yes, effective completely 7-1-07.	T.C.A. 67-6-207(a)(14), 67-6-301 - 67-6-392	See: Taxability Matrix. See Also: P.C. 357, Sec. 15, 36, 40, 48, and 52; P.C. 959, Sec. 2, 4, 11, 12, 13, 14, 17 for durable medical equipment, prosthetic devices, delivery charges. Eft. 7-1-07. (See: P.C. 959, Sec. 68, 70.)	
		<p>Entity - and use-based exemptions. Can the state confirm that in any entity-based or use-based exemption that includes a product that is defined by the Agreement, the exemption uses the Agreement definition of the product?</p>	Yes, effective completely 7-1-07.	T.C.A. 67-6-207(a)(14), 67-6-301 - 67-6-392	P.C. 357, Sec. 15, 36, 40, 48, 52. T.C.A. 67-6-348 used clothing; 67-6-329, 67-6-207(a)(14) drugs sold to farmers. P.C. 959, Sec. 14, 17, T.C.A. 67-6-329 prepared food sold by schools, 67-6-337 food, etc. sold to those using food stamps, Eft. 7-1-07. (See: P.C. 959, Sec. 68, 70.)	
Section 317	Administration of exemptions					
		A. Does the state provide for the following in regard to purchasers claiming exemption:				
		1. Seller shall obtain identifying information from purchaser and reason for claiming exemption?	Yes, effective 7-1-07.		P.C. 357, Sec. 57. T.C.A. 67-6-409(a)(1). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		2. Purchaser is not required to provide signature, unless paper exemption certificate?	Yes, effective 7-1-07.		P.C. 357, Sec. 57. T.C.A. 67-6-409(a)(2). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	

		3. Seller shall use standard form for claiming exemption electronically?	Yes, effective 7-1-07.		P.C. 357, Sec. 57. T.C.A. 67-6-409(a)(3). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		4. Seller shall obtain same information for proof regardless of medium?	Yes, effective 7-1-07.		P.C. 357, Sec. 57. T.C.A. 67-6-409(a)(4). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		5. Seller shall maintain records of exempt transaction and provide to state when requested?	Yes, effective 7-1-07.		P.C. 357, Sec. 57. T.C.A. 67-6-409(a)(6). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		B. Does the state relieve the seller that follows above requirements from any tax if determined that purchaser improperly claimed exemption and hold purchaser liable? Does not apply to seller who fraudulently fails to collect or solicits purchasers to participate in unlawful claim of exemption.	Yes, effective 7-1-07.		P.C. 357, Sec. 57. T.C.A. 67-6-409(b) and (d). Eft. 7-1-07. (See: P.C. 959, Sec. 68.) (See Sec 72 SB 2310.)	April 16, 2005 amendments to Section 317(B) passed legislature awaiting Governor's signature SB 2310 Section 72 effective 7/1/07 in T.C.A. Section 67-6-409(b).
Section 318	Uniform tax returns					
		Does the state:				
		A. Require that only one tax return for each taxing period for each seller be filed for the state and all local jurisdictions?	Yes, effective 7-1-07.		P.C. 357, Sec. 58. T.C.A. 67-6-504(a). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		B. Require that returns be filed no sooner than the twentieth day of the month following the month in which the transaction occurred?	Yes	T.C.A. 67-6-504(a)	P.C. 959, Sec. 21, T.C.A. 67-6-536(d)(4). Eft. 7-1-07. (See: P.C. 959, Sec. 70.)	
		C. Allow any Model 1, 2 or 3 seller to submit its return in a simplified format that does not include more data fields than permitted by the governing board?	Yes, effective 7-1-07.		P.C. 357, Sec. 61. T.C.A. 67-6-536(a). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		D. Allow a seller that is registered under the Agreement, which does not have a legal requirement to register in the state, and is not a Model 1, 2 or 3 seller to file a return no more than once per year unless the seller has accumulated more than \$1,000 in state and local taxes?	Yes, effective 7-1-07.		P.C. 357, Sec. 61. T.C.A. 67-6-536(d). P.C. 959, Sec. 21, T.C.A. 67-6-536. Eft. 7-1-07. (See: P.C. 959, Sec. 68, 70.)	

Section 319	Uniform rules for remittance of funds					
		Does the state:				
		A. Require only one remittance for each return and only require additional remittance if: (1) seller collects more than \$30,000 in sales and use taxes in state during preceding year, (2) the additional remittance is determined through a calculation method, and (3) the seller is not required to file additional return?	Yes, effective 7-1-07.		P.C. 357, Sec. 58. T.C.A. 67-6-504(a). Eft. 7-1-07. (See: P.C. 959 Sec. 68.)	Tennessee requires one return with one remittance. No prepayments are required.
		B. Allow for payment by both ACH Credit & ACH Debit?	Yes, effective 7-1-07.		P.C. 357, Sec. 61. T.C.A. 67-6-536(c). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		C. Provide alternative method for "same day" payment if electronic fund transfer fails (electronic check or Fed Wire)?	Yes, effective 7-1-07.		P.C. 357, Sec. 61. T.C.A. 67-6-536(c). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		D. Provide that if due date falls on a legal banking holiday in state, taxes due on next business day?	Yes.	T.C.A. 4-1-402 and 67-1-102		Tennessee also does this administratively under the statutory powers granted the commissioner to administer the assessment and collection of taxes.
		E. Require any data that accompanies remittance to be formatted using uniform tax type and payment type codes?	Yes	T.C.A 67-6-403		Tennessee has broad authority to adopt forms in current law.
Section 320	Uniform rules for recovery of bad debts					
		Does the state:				
		A. Allow a deduction for bad debts?	Yes, effective 7-1-07.		P.C. 357, Sec. 59. T.C.A. 67-6-507(e). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		B. Use definition of bad debt in 26 U.S.C. Sec. 166 as basis with adjustment to exclude: financing charges or interest; sales or use taxes charged on purchase price; uncollectible amounts on property that remains in possession of seller until full price paid; expenses incurred in attempt to collect debt, and repossessed property?	Yes, effective 7-1-07.		P.C. 357, Sec. 59. T.C.A. 67-6-507(e)(2). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	

		C. Allow bad debts to be deducted on return for period during which bad debt is written off on books and records and is eligible be deducted for federal income tax purposes? If no federal return, use books & records and apply as if had filed federal return?	Yes, effective 7-1-07.		P.C. 357, Sec. 59. T.C.A. 67-6-507(e)(3). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		D. Require that, if deduction is taken and it is later collected in whole or part, tax must be reported on return for period in which collection made?	Yes, effective 7-1-07.		P.C. 357, Sec. 59. T.C.A. 67-6-507(e)(4). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		E. Provide that, when amount of bad debt exceeds taxable sales for period when written off, refund claim may be filed within statute of limitations (measured from due date of return on which bad debt could first be claimed)?	Yes, effective 7-1-07.		P.C. 357, Sec. 59. T.C.A. 67-6-507(e)(5). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		F. Where filing responsibilities assumed by CSP, allow service provider to claim, on behalf of seller, any bad debt allowance? CSP must credit or refund full amount of allowance or refund received to seller.	Yes, effective 7-1-07.		P.C. 357, Sec. 59. T.C.A. 67-6-507(e)(6). P.C. 959, Sec. 51. T.C.A. 67-1-1802(d). Eft. 7-1-07. (See: P.C. 959, Sec. 68, 70.)	
		G. Provide that, for purposes of reporting payment on previously claimed bad debt, any payments made are applied first proportionately to taxable price of property or service and sales tax thereon, and secondly to interest, service charges, and any other charges?	Yes, effective 7-1-07.		P.C. 357, Sec. 59. T.C.A. 67-6-507(e)(7). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		H. If books and records of party support allocation among states, then permit allocation?	Yes, effective 7-1-07.		P.C. 357, Sec. 59. T.C.A. 67-6-507(e)(8). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
Section 321	Confidentiality and privacy protections under Model 1					

		A. Does the state provide public notification to consumers, including exempt purchasers, of state's practices relating to collection, use and retention of personally identifiable information?	Yes, effective completely 7-1-07.	67-1-1701 et seq.	P.C. 959, Sec. 49, T.C.A. 67-1-110(6) amends Taxpayer Bill of Rights to allow consumer to know TDR policy regarding this info. Eft. 7-1-07. (See: P.C. 959, Sec. 70.)	
		B. Does the state provide that when any personally identifiable information is no longer required for purposes in subsection (D)(4), such information shall no longer be retained by state?	Yes	T.C.A. 67-1-1701 et seq.		
		C. Does the state provide that when personally identifiable information regarding an individual is retained by or on behalf of state, state shall provide reasonable access to information by such individual and a right to correct inaccurate information?	Yes	T.C.A. 67-1-1701 et seq.		Under current practice, a taxpayer may have access to information and a right to correct information.
		D. Does the state provide that if anyone other than a member state or person authorized by state law or Agreement, seeks to discover personally identifiable information, state should make reasonable and timely effort to notify individual of request?	No	T.C.A. 67-1-1701 et seq.		State does not authorize release of this information under broad confidentiality protections except under very limited circumstances.
		E. Is the state's privacy policy subject to enforcement by state's AG or other appropriate government authority?	Yes	T.C.A. 8-6-301		Confidentiality provisions are enforced by state's attorney general.
Section 322	Sales tax holidays					
		A. Does the state allow for sales tax holidays? If yes, does the state:	Yes effective 7/1/06		P.C. 398 Eft. 7/1/06 T.C.A. 67-6-393	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393. First holiday period is scheduled for the first Friday through Sunday in August 2006.
		1. Limit the holiday exemptions after December 31, 2004, to items that are specifically defined in Agreement and exemptions are uniformly applied?	Yes effective 7/1/06		P.C. 398 Sec 2 Eft. 7/1/06 T.C.A. 67-6-102	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393 and 67-6-102. Applies to clothing (\$100), school supplies(\$100), and computers(\$1,500).
		2. Provide notice of holiday at least 60 days prior to first day of calendar quarter in which holiday will begin?	Yes effective 7/1/06		P.C. 398 Eft. 7/1/06 T.C.A. 67-6-393	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393. First holiday period is scheduled for the first Friday through Sunday in August 2006.

		B. Does the state use price thresholds during a holiday? If yes, does the state:	Yes effective 7/1/06		P.C. 398 Sec 1 Eft. 7/1/06 T.C.A. 67-6-393(a)(1-3)	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393. Applies to clothing (\$100), school supplies(\$100), and computers(\$1,500).
		1. Provide that the threshold established by state includes only items priced below threshold?	Yes effective 7/1/06		P.C. 398 Sec 1 Eft. 7/1/06 T.C.A. 67-6-393(a)(1-3)	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393. Applies to clothing with a sales price of \$100, school supplies with a sales price of \$100, and computers with a sales price of \$1,500.
		2. Confirm that the state does not exempt only a portion of the price of an individual item during holiday?	Yes effective 7/1/06		P.C. 398 Sec 1 Eft. 7/1/06 T.C.A. 67-6-393(a)(1-3)	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393. Applies to clothing with a sales price of \$100, school supplies with a sales price of \$100, and computers with a sales price of \$1,500.
		C. Does the state meet procedural requirements for holidays? If yes, does the state provide procedures for:	Yes effective 7/1/06		P.C. 398 Sec 1 Eft. 7/1/06 T.C.A. 67-6-393(d) & (e)	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393.
		1. Layaway sales?	Yes effective 7/1/06		P.C. 398 Sec 1 Eft. 7/1/06 T.C.A. 67-6-393(d)(1)	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393.
		2. Bundled sales?	N/A			Tennessee has not adopted the bundled transaction definition or enacted conforming provisions for a bundled transaction.
		3. Coupons and discounts?	Yes effective 7/1/06		P.C. 398 Sec 1 Eft. 7/1/06 T.C.A. 67-6-393(d)(2)	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393.
		4. Splitting of items normally sold together?	Yes effective 7/1/06		P.C. 398 Sec 1 Eft. 7/1/06 T.C.A. 67-6-393(d)(3)	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393.
		5. Rain checks?	Yes effective 7/1/06		P.C. 398 Sec 1 Eft. 7/1/06 T.C.A. 67-6-393(d)(4)	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393.
		6. Exchanges?	Yes effective 7/1/06		P.C. 398 Sec 1 Eft. 7/1/06 T.C.A. 67-6-393(d)(5)	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393.
		7. Delivery charges?	Yes effective 7/1/06		P.C. 398 Sec 1 Eft. 7/1/06 T.C.A. 67-6-393(d)(6)	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393.
		8. Order date and back orders?	Yes effective 7/1/06		P.C. 398 Sec 1 Eft. 7/1/06 T.C.A. 67-6-393(d)(7)	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393.
		9. Returns?	Yes effective 7/1/06		P.C. 398 Sec 1 Eft. 7/1/06 T.C.A. 67-6-393(d)(8)	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393.
		10. Different time zones?	Yes effective 7/1/06		P.C. 398 Sec 1 Eft. 7/1/06 T.C.A. 67-6-393(d)(9)	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393.
Section 323	Caps and thresholds					

		A. Does the state:			P.C. 357, Sec. 6, 7, 20, 25, 27, 34, 46, 50, 64, 81. T.C.A. 67-6-102(a)(27)(A)(iv)(B), 67-6-203, 67-6-205(5), 67-6-207; 67-6-329(a), 67-6-330(a). Eft. 7-01-07. 67-6-702(d), 67-6-202(a). Eft. 7-01-07. (Sec. 20 and 64 Eft. 7-1-07.) (See: P.C. 959, Sec. 68.)	Single article cap elimination eff. 7-1-07; cable tv thresholds repealed thru priv. tax 67-4-2401 and repeal rate/base structures of 67-6-226 and 67-6-714; Farm equipment threshold eliminated thru grant of exemption in 67-6-207 and imposition of entity-based exemption; Remanufacturing industrial machinery threshold eliminated in 67-6-(102)(a)(27)(A)(iv)(B); animal bathing svcs subject to full rate of tax with amendment to 67-6-205(c)(5); Amusement tax exemption of first \$150 annual dues for memberships to rec clubs and community svcs organizations repealed with repeal of 67-6-330(a)(3); Threshold on casket and burial vault of \$500 removed with repeal of 67-6-329(a)(11) Local option single article limitation repealed effective 7-1-07 except on motor vehicles, aircraft, watercraft, manufactured homes and modular homes sold unafixed to real property. State tax on single articles repealed effective 7-1-07 except on motor vehicles, aircraft, watercraft, manufactured homes and modular homes sold unafixed to real property.
		1. Eliminate all caps or thresholds on application of rates or exemptions that are based on value of transaction or item after December 31, 2005? OK until that date.	Yes, effective 7-1-07.			
		2. Eliminate all caps that are based on application of rates unless the application of rates are administered in a manner that places no additional burden on retailer?	N/A			Tennessee law contains no caps on overall tax rates.
		B. Does the state that has local jurisdictions that levy sales or use tax eliminate caps or thresholds on application of rates or exemptions that are based on value of transaction or item after December 31, 2005? OK until that date.	Yes, effective 7-1-07.	T.C.A. 67-6-702(a) and (d).	See #1 Above	
Section 324	Rounding rule					
		A. Does the state provide that the tax computation must be carried to the third decimal place after December 31, 2005.	Yes, effective 7-1-07.			P.C. 357, Sec. 58. T.C.A. 67-6-504(h). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)
		B. Does the state provide that the tax must be rounded to a whole cent using a method that rounds up to next cent whenever third decimal place is greater than four after December 31, 2005.	Yes, effective 7-1-07.			P.C. 357, Sec. 58. T.C.A. 67-6-504(h). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)

		C. Does the state allow sellers to elect to compute tax due on a transaction, on a item or invoice basis, and shall allow rounding rule to be applied to aggregated state and local taxes?	Yes, effective 7-1-07.		P.C. 357, Sec. 58. T.C.A. 67-6-504(h) and (i). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		D. Can the state confirm that it has repealed any requirements for sellers to collect tax on bracket system?	Yes, effective 7-1-07.		P.C. 357, Sec. 58. T.C.A. 67-6-504(h). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
Section 325	Customer refund procedures					
		A. Does the state provide that a cause of action against seller does not accrue until purchaser has provided written notice to seller and seller has had 60 days to respond? Notice must contain information necessary to determine validity of request.	Yes, effective 7-1-07.		P.C. 357, Sec. 61. T.C.A. 67-6-538(d). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		B. Does the state provide for uniform language in regard to presumption of a reasonable business practice when seller: I) uses either a provider or a system, including a proprietary system, that is certified by the state; and ii) has remitted to state all taxes collected, less deductions, credits or collection allowances?	Yes, effective 7-1-07.		P.C. 357, Sec. 61. T.C.A. 67-6-538(e). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
Section 326	Direct pay permits					
		Does the state provide for a direct pay authority?	Yes	Tenn. Comp. R. & Reg. 68(4).		
Section 327	Library of definitions					
		Does the state use common definitions as provided in Section 327 of the Agreement and set out in the Library of Definitions in Appendix C?	Yes, effective completely 7-1-07.		P.C. 357, Sec. 3, 4, 8, 9, 10, 12, 14, 15, 36, 40, 47, 48, 52; P.C. 959, Sec. 1, 2, 3, 4. Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Also see T.C.A. 67-6-102 (9)(10)(12)(13)(14)(15)(18)(19)(20)(25)(32)(36)(37)(38)(39)(40)(43)(44)(46)(47)(50)(53) (55) 67-6-348(f); 67-6-228(b) and (d)(1-5); 67-6-905(d)(1-12) April 16, 2005 amendments to the Library of Definitions for Telecommunications and ancillary service definitions passed legislature awaiting Governor's signature SB2310 Sections 48, 49, 50, 51, 52, 53, 54, and 55 effective 7/1/05. April 16, 2005 amendment to "sales price" passed legislature awaiting Governor's signature SB 2310 Section 68 effective 7/1/07.
		A. If term defined in Library appears in state's statutes, rules or regulations, does the state adopt definition in substantially same language?	Yes, effective completely 7-1-07.		See Above	

		B. Can the state confirm that it does not use a Library definition that is contrary to meaning of Library definition?	Yes, effective completely 7-1-07.		See Above	
		C. Except as provided in Section 316 and Library, can the state confirm that it imposes tax on all products and services included within each definition or exempt from tax all products or services within each definition?	Yes, effective completely 7-1-07.		P.C. 357, Sec. 15, 36, 40, 48, 52. T.C.A. 67-6-102, 67-6-228, 67-6-228(d)(4), T.C.A. 67-6-304, 67-6-329, and 67-6-348. P.C. 959, Sec. 4, 9, 13. T.C.A. 67-6-320(b)(2), 67-6-229, T.C.A. 67-6-320(a). Eft. 7-1-07. (See: P.C. 959, Sec. 68, 70.)	School lunch exemption now uses SST prepared food definition. P.C. Sec. 357, Sec. 48, T.C.A. 67-6-329. Used clothing exemption now uses SST clothing definition. P.C. Sec. 357, Sec. 52, T.C.A. 67-6-348. SST definition now used for exemption of canes, wheel chairs, crutches, walkers, prosthetics, artificial limbs, etc. P.C. Sec. 357, Sec. 40, T.C.A. 67-6-102 and 67-6-314. SST definition now used for alcoholic beverages. P.C. Sec. 357, Sec. 36, 67-6-228(d)(4). Prepared food definition now conformed to SST definition. P.C. Sec. 357, Sec. 36, 67-6-228. P.C. 959, Sec. 13, T.C.A. 67-6-320(b)(2) for oxygen exemption related to durable medical equipment. Over-the-counter drugs and grooming and hygiene products used in the exemption for drugs that are prescribed.
Section 328	Taxability matrix					
		A. Has the state completed its taxability matrix in the downloadable format approved by Governing Board?	Yes			Tennessee has completed the taxability matrix and will post to the state's web site once Tennessee's conforming legislation has become effective 7/1/07.
		B. Has the state relieved sellers and CSP from liability to state and its local jurisdictions for having charged and collected incorrect tax resulting from erroneous data in matrix?	Yes, effective 7-1-07.		P.C. 959, Sec. 22, T.C.A. 67-6-537. Eft. 7-1-07. (See: P.C. 959, Sec. 70.)	
Section 329	Effective date for rate changes					
		Does the state provide that the effective date of rate changes for services covering a period starting before or ending after statutory effective date shall be as follows:	Yes	T.C.A. 67-1-102		Tennessee does this administratively under the statutory powers granted the commissioner to administer the assessment and collection of taxes, and will publish policy to this effect.
		1. For rate increase, new rate shall apply to first billing period starting on or after effective date?	Yes	See Above		See Above
		2. For rate decrease, new rate shall apply to bills rendered on or after effective date?	Yes	See Above		See Above
Section 401	Seller participation					
		A. Does the state participate in the Governing Board's online registration system?	Yes, effective 7-1-07.		P.C. 357, Sec. 63. T.C.A. 67-6-608(a). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	

		B. Does the state provide that it will not use registration with central registration system and collection of taxes in member states in determining whether seller has nexus with state for any tax at any time?	Yes, effective 7-1-07.		P.C. 959, Sec. 23, T.C.A. 67-6-608(c) Eft. 7-1-07. (See: P.C. 959, Sec. 70.)	
Section 402	Amnesty for registration					
		A. Subject to limitations in this section:				
		1. Does the state provide amnesty to seller who registers to pay or collect and remit applicable tax in accordance with Agreement, provided seller was not so registered in state in 12-month period preceding effective date of state's participation in agreement?	Yes, effective 7-1-05.		SB 2310 Sec 65 Eft. 7/1/05 T.C.A. 67-6-537(a)(1)(2).	Tennessee passed legislation SB 2310 Section 65 awaiting Governor's signature to provide amnesty for Streamlined volunteers effective 7/1/05 as an Associate Member through 12 months after Tennessee is found to be a full member in substantial compliance.
		2. Does the state provide that amnesty will preclude assessment for tax together with penalty and interest for sales made during period seller was not registered in state, provided registration occurs within 12 months of effective date of state's participation in Agreement?	Yes, effective 7-1-05.		SB 2310 Sec 65 Eft. 7/1/05 T.C.A. 67-6-537(a)(1)(2) and (b).	Tennessee passed legislation SB 2310 Section 65 awaiting Governor's signature to provide amnesty for Streamlined volunteers effective 7/1/05 as an Associate Member through 12 months after Tennessee is found to be a full member in substantial compliance.
		3. Does the state provide that Amnesty shall be provided when that state joins Agreement after seller has registered?	Yes, effective 7-1-05.		See Above.	
		B. Does the state provide that amnesty is not applicable to seller if notice of audit is received and audit is not yet resolved, including any related administrative and judicial processes?	Yes, effective 7-1-05.		SB 2310 Sec 65 Eft. 7/1/05 T.C.A. 67-6-537(a)(3).	Tennessee passed legislation SB 2310 Section 65 awaiting Governor's signature to provide amnesty for Streamlined volunteers effective 7/1/05 as an Associate Member through 12 months after Tennessee is found to be a full member in substantial compliance.
		C. Does the state provide that amnesty is not applicable to taxes already paid to state or collected by seller?	Yes, effective 7-1-05.		SB 2310 Sec 65 Eft. 7/1/05 T.C.A. 67-6-537(c)(1).	Tennessee passed legislation SB 2310 Section 65 awaiting Governor's signature to provide amnesty for Streamlined volunteers effective 7/1/05 as an Associate Member through 12 months after Tennessee is found to be a full member in substantial compliance.
		D. Does the state provide that amnesty is fully effective, absent fraud or misrepresentation of material fact, as long as seller continues registration and continues payment of taxes for period of at least 36 months? State shall toll statute applicable to asserting a tax liability during 36 month period.	Yes, effective 7-1-05.		SB 2310 Sec 65 Eft. 7/1/05 T.C.A. 67-6-537(c)(3)(4).	Tennessee passed legislation SB 2310 Section 65 awaiting Governor's signature to provide amnesty for Streamlined volunteers effective 7/1/05 as an Associate Member through 12 months after Tennessee is found to be a full member in substantial compliance.
		E. Does the state provide that amnesty is applicable only to taxes due from seller in capacity as seller and not in capacity as buyer?	Yes, effective 7-1-05.		SB 2310 Sec 65 Eft. 7/1/05 T.C.A. 67-6-537(c)(2).	Tennessee passed legislation SB 2310 Section 65 awaiting Governor's signature to provide amnesty for Streamlined volunteers effective 7/1/05 as an Associate Member through 12 months after Tennessee is found to be a full member in substantial compliance.
Section 403	Method of remittance					

		Does the state provide that a seller may select one of the technology models:	Yes, effective 7-1-07.		P.C. 357, Sec. 58. T.C.A. 67-6-504(i)(1). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		A. Model 1-seller selects CSP as agent to perform all functions except remit tax on its own purchases?	Yes, effective 7-1-07.		P.C. 357, Sec. 15, 58. T.C.A. 67-6-102(37), 67-6-504(i)(2). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		B. Model 2-seller selects CAS which calculates amount of tax due?	Yes, effective 7-1-07.		P.C. 357, Sec. 15, 58. T.C.A. 67-6-102(a)(38), 67-6-504(i)(3). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		C. Model 3-seller utilizes own proprietary system that has been certified as a CAS?	Yes, effective 7-1-07.		P.C. 357, Sec. 15, 58. T.C.A. 67-6-102(39), 67-6-504(i)(4). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
Section 404	Registration by an agent					
		Does the state provide that a seller may be registered by agent?	Yes, effective 7-1-07.		P.C. 357, Sec. 63. T.C.A. 67-6-608(a). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
Section 501	Provider and System Certification					
		A. Does state law provide for provider and system certification to aid in the administration of sales and use tax collection?	Yes, effective 7-1-07.		P.C. 357, Sec. 15, 58. T.C.A. 67-6-102(4) (5). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
Section 601	Monetary allowance under Model 1					
		A. Does state law provide for a monetary allowance of CSPs as may be required in accordance with the terms of a contract between the Governing Board and the CSP?	Yes, effective 7-1-05.		SB2310 Sec 67 Eft. 7/1/05 T.C.A. 67-6-542 P.C. 959, Sec.20. T.C.A. 67-6-509. Eft. 7-1-07. (See: P.C. 959, Sec. 70.)	Tennessee passed legislation SB 2310 Section 67 awaiting Governor's signature to provide for monetary allowances in accordance with Article VI of the Agreement effective 7/1/05 in T.C.A. Section 67-6-542 for the period of time Tennessee is an Associate member.

		B. Does state law provide for a percentage of revenue monetary allowance for a voluntary seller's registration through a CSP for a period not to exceed 24 months?	Yes, effective 7-1-05.		SB 2310 Sec 67 Eft. 7/1/05 T.C.A. 67-6-542 P.C. 959, Sec.20. T.C.A. 67-6-509. Eft. 7-1-07. (See: P.C. 959, Sec. 70.)	Tennessee passed legislation SB 2310 Section 67 awaiting Governor's signature to provide for monetary allowances in accordance with Article VI of the Agreement effective 7/1/05 in T.C.A. Section 67-6-542 for the period of time Tennessee is an Associate member.
Section 602	Monetary allowance for Model 2 sellers					
		A. Does state law provide for a monetary allowance for Model 2 sellers as may be required by the Governing Board?	Yes, effective completely 7-1-05.	TCA 67-6-509	SB 2310 Sec 67 Eft. 7/1/05 T.C.A. 67-6-542 P.C. 959, Sec.20. T.C.A. 67-6-509(c), (d), & (e). Eft. 7-1-07. (See: P.C. 959, Sec. 70.)	Current Law, T.C.A. 67-6-509(a) & (b) also provides some vendors comp for voluntary sellers. Tennessee passed legislation SB 2310 Section 67 awaiting Governor's signature to provide for monetary allownaces in accordance with Article VI of the Agreement effective 7/1/05 in T.C.A. Section 67-6-542 for the period of time Tennessee is an Associate member.
		B. Does state law provide for a percentage of revenue monetary allowance for a period not to exceed 24 months for a voluntary seller's registration?	Yes, effective 7-1-05.		SB 2310 Sec 67 Eft. 7/1/05 T.C.A. 67-6-542 P.C. 959, Sec.20. T.C.A. 67-6-509(c), (d), & (e). Eft. 7-1-07. (See: P.C. 959, Sec. 70.)	P.C. 959, Sec. 20 amends T.C.A. 67-6-509 to authorize vendor's comp as provided for in contract between governing board and CSP. Tennessee passed legislation SB 2310 Section 67 awaiting Governor's signature to provide for monetary allownaces in accordance with Article VI of the Agreement effective 7/1/05 in T.C.A. Section 67-6-542 for the period of time Tennessee is an Associate member.
Section 603	Monetary allowance for Model 3 sellers and all other sellers that are not under Models 1 or 2					
		A. Does state law provide for a percentage of revenue monetary allowance for a period not to exceed 24 months for a voluntary Model 3 seller's registration and all other sellers that are not using Models 1, 2, or 3?	Yes, effective 7-1-05.		SB 2310 Sec 67 Eft. 7/1/05 T.C.A. 67-6-542 P.C. 959, Sec.20. T.C.A. 67-6-509. Eft. 7-1-07. (See: P.C. 959, Sec. 70.)	P.C. 959, Sec. 20 amends T.C.A. 67-6-509 to authorize vendor's comp as provided for in contract between governing board and CSP. Tennessee passed legislation SB 2310 Section 67 awaiting Governor's signature to provide for monetary allownaces in accordance with Article VI of the Agreement effective 7/1/05 in T.C.A. Section 67-6-542 for the period of time Tennessee is an Associate member.
		APPENDIX C - LIBRARY OF DEFINITIONS				
		Please verify for each item that the state uses the definition provided by the Agreement. If the item is not applicable in your state, answer "N/A."				

Part I	Administrative definitions					
		1. Delivery charges	Yes, effective 7-1-07.		P.C. 357, Sec. 15. T.C.A. 67-6-102(14). P.C. 959, Sec. 1. T.C.A. 67-6-102(14). Eft. 7-1-07. (See: P.C. 959, Sec. 68, 70.)	
		a. If a shipment includes exempt property and taxable property, the seller allocates the delivery charge by using a percentage based on the sales price or a percentage based on weight. The seller taxes the percentage of the delivery charge allocated to taxable property but does not tax the percentage of the delivery charge allocated to the exempt property.	Yes, effective 7-1-07.		P.C. 959, Sec. 1. T.C.A. 67-6-102(14). Eft. 7-1-07. (See: P.C. 959, Sec. 70.)	
		2. Direct mail	Yes, effective 7-1-07.		P.C. 357, Sec. 15. T.C.A. 67-6-102(15). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		3. Lease or rental	Yes, effective 7-1-07.		P.C. 357, Sec. 8. T.C.A. 67-6-102(32). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		4. Purchase price	Yes, effective 7-1-07.		P.C. 357, Sec. 15. T.C.A. 67-6-102(47). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		5. Retail sale or Sale at retail	Yes, effective 7-1-07.		P.C. 357, Sec. 10. T.C.A. 67-6-102(50). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		6. Sales price	Yes, effective 7-1-07.		P.C. 357, Sec. 12. T.C.A. 67-6-102(53). P.C. 959, Sec. 3. T.C.A. 67-6-102(53)(B). Eft. 7-1-07. (See: P.C. 959, Sec. 68, 70.) (See SB 2310 Sec 68.)	April 16, 2005 amendments to "sales price" in Library of Definitions passed legislature awaiting Governor's signature SB 2310 Section 68 effective 7/1/07.

		7. Tangible personal property	Yes, effective 7-1-07.		P.C. 357, Sec. 14. T.C.A. 67-6-102(55). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
Part II	Product definitions					
	CLOTHING					
		Clothing	Yes, effective 7-1-06.		P.C. 398 Sec. 2 Eft. 7/1/06 T.C.A. 67-6-102 Clothing covered by P.C. 357, Sec. 52. T.C.A. 67-6-348(f). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393. Agreement holiday definitions and clothing definitions were adopted effective 7/1/06 in T.C.A. 67-6-102 or 67-6-393.
		Clothing accessories or equipment	Yes, effective 7-1-06.		P.C. 398 Sec. 2 Eft. 7/1/06 T.C.A. 67-6-102	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393. Agreement holiday definitions and clothing definitions were adopted effective 7/1/06 in T.C.A. 67-6-102 or 67-6-393.
		Protective equipment	Yes, effective 7-1-06.		P.C. 398 Sec. 2 Eft. 7/1/06 T.C.A. 67-6-102	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393. Agreement holiday definitions and clothing definitions were adopted effective 7/1/06 in T.C.A. 67-6-102 or 67-6-393.
		Sport or recreational equipment	Yes, effective 7-1-06.		P.C. 398 Sec. 2 Eft. 7/1/06 T.C.A. 67-6-102	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393. Agreement holiday definitions and clothing definitions were adopted effective 7/1/06 in T.C.A. 67-6-102 or 67-6-393.
	COMPUTER RELATED					
		Computer	Yes, effective 7-1-07.		P.C. 357, Sec. 15. T.C.A. 67-6-102(9). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		Computer software	Yes, effective 7-1-07.		P.C. 357, Sec. 15. T.C.A. 67-6-102(10). P.C. 959, Sec. 61. T.C.A. 67-6-231. Eft. 7-1-07. (See: P.C. 959, Sec. 68, 70.)	

		Delivered electronically	Yes, effective 7-1-07.		P.C. 357, Sec. 15. T.C.A. 67-6-102(13). P.C. 959, Sec. 61. T.C.A. 67-6-231. Eft. 7-1-07. (See: P.C. 959, Sec. 68, 70.)	
		Electronic	Yes, effective 7-1-07.		P.C. 357, Sec. 15. T.C.A. 67-6-102(20). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		Load and leave	N/A			
		Prewritten computer software	Yes, effective 7-1-07.		P.C. 357, Sec. 14. T.C.A. 67-6-102(44). P.C. 959, Sec. 61. T.C.A. 67-6-231. Eft. 7-1-07. (See: P.C. 959, Sec. 68, 70.)	
FOOD AND FOOD PRODUCTS						
		Alcoholic Beverages	Yes, effective 7-1-07.		P.C. 357, Sec. 36. T.C.A. 67-6-228(d)(4). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	
		Candy	Yes, effective 7-15-02	T.C.A. 67-6-228(a)(3)(A)	P.C. 357, Sec. 36. T.C.A. 67-6-228(d)(1). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee adopted the SSTP definition of candy prior to the adoption of the SSTP Agreement. Public Chapter 856 effective 7/15/02.
		Dietary supplement	Yes, effective 7-15-02.	T.C.A. 67-6-228(a)(3)(B)	P.C. 357, Sec. 36. T.C.A. 67-6-228(d)(2). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee adopted the SSTP definition of dietary supplement prior to the adoption of the SSTP Agreement. Public Chapter 856 effective 7/15/02.
		Food and food ingredients	Yes, effective 7-15-02.	T.C.A. 67-6-228(b)(c)	P.C. 357, Sec. 36. T.C.A. 67-6-228(b). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	Tennessee adopted the SSTP definition of food and food ingredients prior to the adoption of the SSTP Agreement. Public Chapter 856 effective 7/15/02.
		Food sold through vending machines	N/A			
		Prepared food	Yes, effective 7-1-07.		P.C. 357, Sec. 36. T.C.A. 67-6-228(d)(3). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)	

		Soft drinks	N/A		
		Tobacco	Yes, effective 7-1-07.		P.C. 357, Sec. 36. T.C.A. 67-6-228(d)(5). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)
HEALTH-CARE					
		Drug	Yes, effective 7-1-07.		P.C. 357, Sec. 15. T.C.A. 67-6-102(18). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)
		Durable medical equipment	Yes, effective 7-1-07.		P.C. 357, Sec. 36. T.C.A. 67-6-102(19). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)
		Grooming and hygiene products	Yes, effective 7-1-07.		P.C. 959, Sec. 4 & 13 amending 67-6-320(a) and 67-6-102(25). Eft. 7-1-07. (See: P.C. 959, Sec. 70.)
		Mobility enhancing equipment	Yes, effective 7-1-07.		P.C. 357, Sec. 36. T.C.A. 67-6-102(36). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)
		Over-the-counter-drug	Yes, effective 7-1-07.		P.C. 959, Sec. 4 & 13 amending 67-6-320(a) and 67-6-102(40). Eft. 7-1-07. (See: P.C. 959, Sec. 70.)
		Prescription	Yes, effective 7-1-07.		P.C. 357, Sec. 36. T.C.A. 67-6-102(43). Eft. 7-1-07. (See: P.C. 959, Sec. 68.)
		Prosthetic device	Yes, effective 7-1-07.		PC. 357, Sec. 36. T.C.A. 67-6-102(46). P.C. 959, Sec. 2. T.C.A. 67-6-102(46)(B) Eft. 7-1-07. (See: P.C. 959, Sec. 68, 70.)

Part III		Sales Tax Holiday Definitions				
		Eligible property	Yes		P.C. 398 Sec. 1 Eft. 7/1/06 T.C.A. 67-6-393(e)	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393.
		Layaway sale	Yes		P.C. 398 Sec. 2 Eft. 7/1/06 T.C.A. 67-6-102	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393.
		Rain check	Yes		P.C. 398 Sec. 2 Eft. 7/1/06 T.C.A. 67-6-102	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393.
		School supply	Yes		P.C. 398 Sec. 2 Eft. 7/1/06 T.C.A. 67-6-102	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393.
		School art supply	Yes		P.C. 398 Sec. 2 Eft. 7/1/06 T.C.A. 67-6-102	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393.
		School instructional material	Yes		P.C. 398 Sec. 2 Eft. 7/1/06 T.C.A. 67-6-102	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393.
		School computer supply	Yes		P.C. 398 Sec. 2 Eft. 7/1/06 T.C.A. 67-6-102	Public Chapter 398 enacts Tennessee's first Sales Tax Holiday and is effective 7/1/06 in T.C.A. 67-6-393.

Notes:

The Certificate of Compliance was revised on January 2, 2004, to reflect amendments to the Agreement as approved by the Streamlined Sales Tax Implementing States on November 19, 2003. These include holiday procedures in Section 322 of the Agreement and the definition of delivery charges in Appendix C, Part 1, of the Agreement.

Certificate of Compliance Attestation

As the chief executive of the state's tax agency, I declare that this Certificate of Compliance is true, correct, and complete to the best of my knowledge and belief.

Laura L. Chamley

Signature

Commissioner of Revenue

Title

Tennessee

State

23-Jun-05

Date